

OKLAHOMA
AGRICULTURAL AND MECHANICAL COLLEGE
AGRICULTURAL EXPERIMENT STATION
STILLWATER, OKLAHOMA

Agricultural Outlook *for* Oklahoma

1927

— By —

J. T. SANDERS,
W. W. FETROW,
L. D. HOWELL,
J. O. ELLSWORTH,

Department of Agricultural Economics

T. S. THORFINSON,
Extension Division

Agricultural Outlook for Oklahoma

1927

— By —

J. T. Sanders, W. W. Fetrow, L. D. Howell, J. O. Ellsworth*

CONTENTS

	Page		Page
Purpose of Outlook Report	2	The Agricultural Outlook for—	
General Agricultural Outlook	3	Irish Potatoes	10
The Agricultural Outlook for—		Sweet Potatoes	11
Cotton	5	Horses and Mules	12
Wheat	7	Beef Cattle	13
Corn	8	Dairying	14
Oats	8	Hogs	14
Broomcorn	9	Sheep	15
Grain Sorghums	9	Poultry	16
Hay	10		

PURPOSE

Farmers should analyze the market demands for their products and govern their production accordingly. This makes it necessary to forecast future prices and costs of production, the accuracy of which depends upon sufficient reliable information.

This report is designed to supply information which indicates the most probable future trends of demand and supply for the important farm products to aid Oklahoma farmers in intelligently planning their farm operations for 1927.

Facts on national and international conditions are given insofar as they affect the farmers in Oklahoma. Analysis has been made on the basis of the general conditions in the state as a whole and the suggestions should be modified, when necessary, to apply locally. The suggested changes in production for Oklahoma farmers are made with due regard to the fact that variation in production caused by weather conditions cannot be known in advance. The report merely presents what is thought to be the most likely results from the present situation.

*Appreciation is extended to members of various departments of the School of Agriculture for their contributions in the preparation of the subject matter.

Also many helpful suggestions were given by those in attendance at the Outlook Conference, United States Department of Agriculture, February 24-28.

GENERAL AGRICULTURAL OUTLOOK

The general business outlook for the United States as a whole does not show conclusive evidence of radical changes from the situation of 1926. It does show, however, evidences of some recession from the high state of industrial prosperity that has prevailed during the recent past.

The important factors in this prosperity have been cheap credit, automobile manufacturing, and building construction. Automobile manufacturing has already experienced a sharp recession from its peak during the early part of 1926, and most authorities agree that building will soon decline. Somewhat delayed, steel and iron output seemed to reach a maximum last October.

Some of the factors indicating a strengthening or steadying influence in the coming year's industrial conditions are:

1. The settlement of the British coal strike with its consequent revival of British business and trade.
2. Generally better business conditions in continental European countries with France and Italy remaining somewhat in doubt.
3. The unusually strong position of savings, and the ample supply of credit with a slightly declining rate of interest in the United States.
4. The probability that certain industries very likely will buy supplies and equipment and make new improvement in 1927 that will be equally as great, if not greater, than they did in 1926, among these being railroads, public utilities and electrical transmission companies.
5. The generally clear atmosphere in the relation of labor and employers.
6. The possibility that installment buying which has just begun to take hold of Europe may have a stimulating effect on foreign demand for certain American manufactured products.

Some of the more important factors pointing toward a recession are:

1. The well marked decline in rate of automobile manufacturing and the prospective recession in building.
2. Slight decline in export value, though possibly not a decrease in tonnage or quantity.
3. The possibility of a strike in the soft coal industry.
4. The probabilities that during 1927, prices of non-agricultural commodities probably will experience a decline greater than the 5 point decline that took place during 1926.
5. The probability of increased acreage and larger yields in European countries in 1927 than the unusually poor crops in 1926, with a consequent lower demand for American exports.

The gist of the opinion of business men and economists on the 1927 business outlook can be summarized by the statement that some recession in the volume of production and business may be expected during the coming year, although few look for radical and sudden changes. It is generally believed that the recession will be gradual and on the whole not great.

Agriculture's position, as a whole, is no better than it was a year ago. The unfavorable position it holds in contrast to the unusual industrial prosperity has not improved during the year, especially with producers of cotton and corn (corn farmers who escaped cholera ravages and who were well supplied with hogs to fatten, excepted). The exchange value of farm commodities in terms of non-agricultural commodities was worth 80 cents December 15, 1926, as compared with 87 cents December 15, 1925, representing a decline of 7 points in purchasing power during the year. The non-agricultural price level in December, 1926, was 58 per cent higher than it was on an average from 1909-1914; while farm products were selling for only 33 per cent more.

The position of agriculture as related to industry is admirably summarized in a statement by the celebrated economist, Dr. Irving Fisher of Yale, "The industries and their workmen got the benefit of the world prices of food stuff which were relatively lower than the tariff protected prices of their own supplies to the American farmer. As a result, the farmers did experience depression from the fall of the price levels which the people of the cities were inequitably spared."

The position of agriculture as a whole in relation to industry may show some improvement during the year 1927 provided agricultural production is not expanded. The general conditions and judgments prompting this opinion are as follows: Indications are that labor will not find as complete employment in 1927 as in 1926, and that there will possibly be some decline in wages; profits on invested capital probably will be less than the phenomenal heights to which they rose in 1926; competition for domestic and foreign markets will be increased; prices of non-agricultural commodities will tend downward as a result of narrowing margins of profit and possibly slightly cheaper labor and other costs.

Improved industrial and financial conditions in Europe should have a varying influence on American industry. To certain lines of business it will probably stimulate foreign demand; to other lines improved manufacturing activity in Europe will partially supply the foreign market and increase competition for American industry.

Agriculture on the other hand may find a stimulated market by improved industrial conditions in Europe which normally takes 12 to 15 per cent of our agricultural exports, provided Europe does not expand her agriculture sufficiently to take care of her increased demands. Since agricultural prices have been in the main near world levels and since there are no outstanding reasons to believe the world's agriculture

will expand appreciably in 1927 thus greatly disturbing agricultural prices, prices of agricultural products will probably not fall proportionately to the expected decline of the non-agricultural prices. In case world yields are about normal and the recession of industry at home is not sufficient to seriously affect the home market, the margin between agricultural and non-agricultural prices should be appreciably narrowed during the coming year.

Considering the fact that farming has been in the past few years depressed as related to industry and the fact that the serious mis-alignment of prices should be improved somewhat, it is well that farmers refrain from purchasing any more non-agricultural commodities and equipment than is necessary for the immediate future. A relatively greater decline in the prices of the things that farmers buy than the decline in agricultural prices will give them as appreciable advantage in postponed purchases. This applies especially to the purchase of equipment that will last for several years. Such should be bought only when the need is urgent. Farmers should not load up heavily now on long time indebtedness. Certainly in the not distant future, conditions now indicate that both equipment and building materials should be relatively cheaper to the farmer than they are at present.

COTTON

A drastic curtailment in total cotton production during 1927 is necessary to put next year's cotton crop on a profitable basis. Farmers ignoring this in the hope that others will bring about the needed reduction are in grave danger of disappointment. Never before in the history of cotton was there more likelihood than now that an unprofitable crop may be followed by another unprofitable crop.

For the past three years, the rate of world production of cotton has exceeded the rate of world consumption with the result that world stocks of cotton on hand have been greatly increased. From present indications, stocks at the end of this year will be large and foreign demand, while strengthened, will not be materially increased. A world crop of cotton in 1927 as large as 1926 would mean ruinously low prices since the world will go into the new season better supplied with raw cotton and probably better supplied with cotton goods than last year.

Considering world conditions and the emphasis which farmers in Oklahoma have placed on cotton during the past few years, the only logical course for them is to reduce acreage this year. This does not mean that all farmers should make the same percentage cut in acreage. Each farmer will have to determine for his own farm the reduction which should take place. There is a wide variation in the cost of growing cotton by different farmers. Some farmers, where their costs are extremely high should discontinue growing cotton entirely and others whose costs are low should perhaps make only slight reductions.

The largest reduction in acreage in any one of the past 24 years was 14.7 per cent, and the average reduction, following years of low return has been only 10 per cent. With an average yield of the last 10 years of 157 pounds, a reduction in acreage of 30 per cent next year would produce 11 million bales. This with a probable carryover of 8.5 to 9 million bales of American cotton would give us a total supply of at least 19 million bales next year. Careful study shows that with no unusual world interference a crop

of 11 million bales next year ought to sell for over 7 per cent more than a 14 million bale crop. It is very important for all cotton farmers to check their prospective acreage of cotton against these facts which indicate the 1927 prospects.

It now appears that the consumption of American cotton this year will be from 15 to 15½ million bales, a consumption that is considerably greater than last year, but even with this increased consumption, there will probably be over 8.5 million bales of American cotton in the world for the year beginning August 1, 1927. This is about 3 to 3½ million bales greater than last year's carryover.

The exports of American cotton from August 1, 1926, to December 17, 1926, was 142 per cent of the four year average for this period. During the first five months of the new season the cotton taken by domestic spinners was 226,000 bales ahead of what it was at this time last year. While the demand for American cotton by most important consuming countries is ahead of what it was last year at this time, these increases in exports will not materially reduce the large stocks of cotton available this year. Furthermore, these large quantities of exports probably will reflect adversely on next year's demands. Such seems to have been the case in previous years of large consumption and exports.

Should the acreage of cotton in the United States for 1927 equal the 1926 acreage and the yield per acre equal that of the average of the last five years, 1922-26, the production would be about 15,000,000 bales. This added to our large carryover would make supplies more burdensome next year than this year. But with the exception of the past year, the five years which make up this average yield include two of the lowest yields per acre which have occurred during the last half century. The yields during this 50 year period exceeded the other two years in this five year period about four-fifths of the time. If the same acreage should be planted to cotton in 1927 as was planted in 1926 and the yield per acre is equal to that of 1921, which was the lowest for the past fifty years, we would still have about a 12 million bale crop, which, with the carryover would be more than ample to supply normal consumption and leave a heavy carryover for the following year. But it is reasonable to expect yields per acre much larger than the lowest yield obtained in the last fifty years.

Present available data on cotton in foreign countries in 1926 indicate a production almost as large as last year. The present low prices may tend to decrease foreign acreages as has been the case in the past when low prices prevailed. However, no material aid can be expected from this source. Most certainly a percentage reduction no greater than that expected in the United States can be expected in foreign countries.

Oklahoma cotton must be sold in competition with cotton from other states of the United States and with foreign countries. During the past five years, Oklahoma has produced about 5 per cent of the world's supply of cotton. During this time, cotton acreage in the state has been doubled and during the past two years about three-fifths of the cropped land in the cotton section has been planted to cotton.

All farmers should consider carefully the costs of growing cotton and the possibilities of growing other crops and raising livestock on their farms. Landlords and tenants will find it difficult in many cases to make the proper adjustments in reducing the cotton acreage and should work in close harmony in deciding the crops to be grown. Only with an intelligent study of the whole situation can the farmer make the proper application to his own farm.

Although credit conditions in the United States as a whole are good, cotton farmers will find credit more difficult to obtain than usual. Bankers, and other lenders in many cases, will be justified in insisting that those who borrow money to raise cotton produce needed feeds and food supplies on the farm so far as soil and other local conditions permit.

W H E A T

The prospects are good in Oklahoma for a 1927 crop of wheat with yields above the average for the state during the past few years. The acreage sown to wheat in Oklahoma is 5 per cent greater than that sown the past crop year. There is about the same increase of winter wheat sown in the United States for 1927 harvest. Rainfall in Oklahoma during the months of October, November, and December was considerably above the average in most of the wheat belt of the state. Studies show that normally this situation results in a low percentage of abandonment, and barring exceptionally cold spells during the rest of the winter and unusual drouths in the spring, the chances are good that we will have a yield per acre in 1927 above the average.

Due to weather conditions in the northwest wheat belt of Oklahoma the acreage is approximately the same as that sown for the 1926 harvest. The west central group of counties shows a 10 per cent increase in acreage while the southwest group shows the greatest increase in the state with about 30 per cent over last year's acreage.

The world produced almost exactly the same amount of wheat in 1926 as it produced in 1925. There was about 3 per cent more acreage of wheat in 1926 in the countries reporting than there was in 1925, the average yield per acre being 14.9 bushels in 1925 and 14.4 bushels in 1926. This yield is about the average per acre yield for the world the last five years. The total acres in wheat in reporting countries is about 15 per cent greater than the average acreage in wheat for the five years 1909 to 1913. Recent estimates indicate the world's population has increased only about 5 per cent since pre-war.

While acreage in wheat has increased 15 per cent since pre-war, and the population increase of 5 per cent has not kept pace, other conditions indicate that we have not accumulated a surplus of world's wheat as a result. The total production of both rye and wheat is more indicative of the bread food situation than is the production of wheat alone. For the world, exclusive of Russia and China, there were approximately 8.4 per cent more acres on an average during the last three years in both wheat and rye than there were on an average for the five years just before the world war. The production, however, averaged only 2.4 per cent more than the average pre-war production as contrasted with a population increase of 5 per cent. Present indications are that we will go into next year with a carryover that is not burdensome.

Present indications are that world wheat acreage for 1927 will be increased. The yield per acre in 1926 was about the same as the average for the past five years. The five per cent increase in winter wheat acreage for the 1927 crop in the United States is considerably less than 1 per cent of the world acreage in 1926. A small yield in any of the important wheat producing countries could easily more than offset the acreage increase in the United States. Taken as a whole, therefore, Oklahoma's wheat prospects for 1927 are brighter than usual. Indications are that abandonment will not be necessarily large, and that yields will be above the average.

In general, a policy of abandonment of wheat during the spring of 1927 should be determined by the foregoing facts, and future developments. Abandonment in different sections of the state, however, should be determined on the basis of local conditions.

CORN

Oklahoma farmers whose soil, business organization and climatic conditions are favorable to the growing of corn should plant a corn acreage at least enough to produce sufficient feed for the livestock on the farms in 1927.

The 1926 corn production in the United States was estimated on December 1st at 6.6 per cent less than an average for the five year period from 1921-25. This relatively low production in 1926 was due in part to a lower acreage and in part to the rather low yield of one bushel per acre below the average yield during the last five years.

The available supply of corn November 1, 1926, was 2 per cent less than that of November 1, 1925, and was produced over a larger area than the crop of the previous year. In 1926, 33 per cent of the corn crop was produced in other than the twelve north central states commonly known as the corn belt, while in 1925 only 23 per cent of the crop was produced in states other than the twelve mentioned.

The corn crop in Oklahoma in 1926 was more than three times as great as that for 1925 and was considerably greater than the average for the five-year period from 1921-25. This increased production was due to a yield per acre that was more than three times as great as that for 1925 and more than a third greater than the average yield for the five-year period from 1921-25. The acreage planted to corn in Oklahoma has been consistently decreasing for several years, being in 1926 less than one-half that of 1913.

There is considerable likelihood that the corn belt will maintain its present acreage of corn, which would require more hogs than there were in 1926 if yields are normal. Present prices of corn and hogs indicate, however, that corn acreage in the corn belt should be decreased without increasing the number of hogs which corn belt farmers probably will not do. Since the intended spring farrowing in the corn belt does not show an increase in hogs and since Oklahoma farmers will materially increase the number of their hogs, this increase can probably be put on the market before corn belt farmers have depressed it with their increase in hogs.

OATS

The cotton situation and the exceptionally favorable moisture supply now in the ground ought to make oats an attractive feed crop to many Oklahoma farmers next year. There is no reason to believe that the market position of oats in the United States will improve next year, providing a normal yield is secured, and providing there is not a shortage of corn and other feed crops.

If the area planted to oats in 1927 is about the same as that of 1926 and the 10 year average yield is secured, production will be almost as large as the crops of 1924 or 1925, which crops are principally responsible for the low prices prevailing since 1925.

Horses and mules are probably the largest consumers of oats and there has been a decrease of over 17 per cent in draft animals on farms in the United States since 1920. Oklahoma has had a decline in the number of horses and mules of only about 10 per cent in the past six years.

Oat production in Oklahoma in 1926 was 12,084,000 bushels greater than the 1925 crop and 9,200,000 bushels greater than the average production during the last five years. This increased production was due largely to good yields. The acreage planted to oats in Oklahoma in 1926, although somewhat greater than that for 1925, was considerably less than the average for the last five years.

Oklahoma farmers who are short of feed and whose soil, business organization and climatic conditions are favorable to spring planting may find it profitable to increase the acres planted to oats sufficient to supply feed for their livestock. This especially holds in those districts where cotton is grown. Present prices and future prospects do not warrant any great expansion of oat acreage in Oklahoma as a cash crop.

BROOMCORN

The outlook for the sale of the 1927 crop of broomcorn is not materially different than was the outlook for the 1926 crop. Production during the past year was about equal to consumption for a normal year. As a result, the carryover from the heavy production of the 1923 and 1924 crops has been reduced none this year and we shall begin the year 1927 with approximately the same carryover as we had in 1926.

An acreage of broomcorn for 1927 equal to 1926 with yields equal to the average for the past five years would give a production of about 46,000 tons. This would be slightly less than enough to supply our normal consumption of 50,000 tons and give us little chance to reduce our surplus.

Broomcorn is produced in about 16 other countries besides the United States. However, where broomcorn has any extensive use outside the United States, neighboring sources of supply seem to be adequate and considerably cheaper than it can be purchased from the United States. Indications are that the best markets for the American product are and will continue for some time to be in the United States and Canada.

The average exports of broomcorn during the past five years has been 4544 tons or a little less than 8 per cent of our total crop. Canada takes approximately four-fifths of the broomcorn exports from the United States. There seems to be little chance of increasing the exports of broomcorn from the United States in the near future.

Because broomcorn is used as a catch crop in many sections, it is very easy to produce a surplus when other crops have failed and when farmers use their acreage for broomcorn as a last chance to utilize their land. This means the acreage planted to broomcorn in Oklahoma is often determined largely by the extent to which other crops have failed. This condition causes the acreage to fluctuate widely from year to year with little relation to prevailing prices.

From 1915 to 1925 the acreage of broomcorn in the United States fluctuated from 200,000 acres to 536,000 acres. The acreage was practically doubled from 1922 to 1923 and from 1924 to 1925 was more than cut in two. This fluctuation in the acreage of broomcorn materially affects Oklahoma farmers who grow broomcorn because about one-half of the total crop of the United States is grown in Oklahoma. In 1918, the production of broomcorn increased 118 per cent and the November 15th farm price dropped 27 per cent. In 1924, although production decreased 40 per cent, there was much more produced than consumed, and when this was added to the supply caused the price to drop 40 per cent. In 1925, with a reduction in production of 63 per cent, the farm price rose 46 per cent.

Farmers in the broomcorn section should keep these facts in mind and watch very carefully the acreage planted to broomcorn in the early season and also the possibility of broomcorn taking the place of other crops later. It would be better not to plant broomcorn if a large number of other farmers are planting broomcorn on land where other crops have failed to such an extent that over-production is probable.

GRAIN SORGHUM

Sufficient feed for all livestock now on the farm and to amply care for intended livestock expansion should be the principal factor in the determination of the acreage of grain sorghum to plant in 1927.

The 1926 grain sorghum crop for the United States totaled 98 million bushels, an increase of 38 per cent over the 1925 crop and was produced on 4.4 million acres, an increase of 6 per cent of the 1925 acreage. Oklahoma's production increased from 14.2 million bushels in 1925 to 22.4 million bushels in 1926, placing the state as second only to Texas.

Due to the large production of grain sorghum in 1926, some farmers have

a considerable carryover of feed and may be tempted to reduce their acreage in 1927. Fluctuating yields caused by weather conditions make it necessary to plant sufficient acreage to supply necessary feed under all conditions. This factor together with the prospective cotton situation suggests the planting in 1927 of sufficient acreage of grain sorghum which with average yields will produce all the feed needed the next year. The carryover, where such exists, may be profitably absorbed by increased livestock.

As a cash crop, the grain sorghums are affected directly by competing crops. A failure of the south Texas feed crop next summer may increase the demand and price for headed milo from the Panhandle. High priced corn may affect similarly milo and kafir grain for poultry feed both in California and on the Kansas City markets. The wheat situation is such that abandonment of this crop should be carefully considered before a decision is made to plant grain sorghums for a cash crop. This situation may change as the season progresses and the relative prices of the two grains fluctuate.

HAY

Hay prices in the United States will probably remain about the same during the early part of 1927 as they were during the same season in 1926. The unusually large crop in 1924 was followed by a 14 per cent reduction in 1925 which in turn was followed by a 2 per cent reduction in 1926. December 1st prices responded to the extent that the 1926 price was 3 per cent higher than that in 1925, and 5 per cent higher than that in 1924. If the acreage and yield of hay in 1927 are equal to or greater than that of 1926, lower prices may be expected during the latter part of 1927.

The acreage and production of hay in Oklahoma in 1926 were increased over that in 1925, although neither the acreage nor the production in 1926 was as great as that in 1924. The price of hay in Oklahoma declined considerably during the last half of 1926. A considerable reduction in the number of livestock in the state together with an increased production of hay in 1926 over that in 1925 indicate that the prices during the first part of 1927 will be somewhat lower than those for the corresponding period in 1926. The prices for the latter part of the year will be largely determined by the supply grown during 1927.

The problem of hay growers in Oklahoma is largely one of supplying local demands. Long distances to central markets, plus high freight rates make the growing of hay in Oklahoma for out-of-state shipments in most cases unprofitable. These same factors result in relatively high prices for hay purchased by farmers in Oklahoma when there is a shortage of hay in the state when this deficit has to be made up by importation.

The Oklahoma farmer who is favorably situated for growing hay should grow enough to adequately supply the livestock kept on his farm and perhaps the demands of the local market.

POTATOES

Conditions indicate that Oklahoma potato growers who will grow high grade potatoes and can market their products during the early spring of 1927 may reasonably expect a price somewhat less than was paid for potatoes during the spring of 1926, but somewhat more than was paid during the spring of 1925. Growers who market their potatoes later in the spring in competition with the heavier producing areas should watch very closely the acreage being planted in the intermediate and late crop areas of the United States and guard against being caught with a large acreage during a period of over-production. There is more than usual danger of over-production this year since over-production usually follows low production years. Present reports indicate a well marked tendency to plant more than usual the coming spring.

The 1926 crop, estimated at 336,000,000 bushels, was 33,000,000 bushels greater than the 1925 crop and was about 40,000,000 bushels less than the average production during the five year period from 1921-25. The smallness of this crop is due largely to the fact that the acreage planted in 1926 was the smallest in 20 years with the single exception of 1925. The yield per acre was above the average for the last five years.

The short crop in 1925 resulted in greatly increased prices during the latter part of 1925 and early 1926. With the coming of the 1926 crop to the market, the prices paid for potatoes decreased considerably, but remained above the average price paid during the five year period from 1921-25. Since the 1926 crop was considerably less than the average crop for the five year period mentioned above, it is reasonable to expect that the spring market will open with a price considerably above that of 1925 and also above the average for the five year period from 1921-25, but probably lower than prices prevailing in the spring of 1926.

The Oklahoma commercial crop follows on the market the early spring crop from the southern states adjacent to the Gulf of Mexico and the Atlantic ocean, and comes in direct competition with the second early crop produced by the tier of states farther north. The acreage in the early states increased from 399,000 acres in 1925 to 450,000 acres in 1926, while the acreage in the second early states decreased from 419,000 acres in 1925 to 410,000 acres in 1926.

With the price of cotton and other crops relatively low, the acreage planted to potatoes in 1927 in the early and second early producing states will probably be as great or greater than the acreage in 1926. If acreage planted to potatoes in the coast states is not materially increased over what it was in 1926 and if the season is normal, Oklahoma farmers who are located in a good potato growing section and who are equipped for growing potatoes on a commercial scale may find it profitable to expand their acreage to a limited extent, provided they can produce good quality potatoes at a relatively low cost and get them on the market early.

There are some outstanding factors that make it highly important that all farmers in the state who are in a position to do so grow sufficient potatoes for home consumption. Credit conditions in all sections of the state, except possibly in the wheat belt, make it necessary for all farmers to keep the amount of credit used down to the minimum, consistent with efficient production. Especially is it highly important for the cotton farmer to keep credit used in buying groceries and other consumption goods to the least possible amount. Potatoes for home consumption will decidedly reduce the size of the family grocery bill. Even though the northern crop is sufficiently heavy to "break" the late market, the benefits of home grown potatoes will pay the farmer who grows them for home consumption, provided he uses reasonable care in selecting a soil adapted to this crop. Few farmers in the state, tenant or owner, should fail to grow sufficient potatoes for home consumption in 1927.

SWEET POTATOES

Conditions do not warrant much expansion of the sweet potato acreage in 1927. Large increases to take the place of reduced cotton acreage is decidedly dangerous and should be avoided, since sweet potatoes can easily be over-done.

Although the acreage in the United States in 1926 was only 7 per cent larger than the 1925 acreage, the production was 35 per cent greater than the production in 1925. The December 1st farm price in the United States was \$1.36 in 1925 and 96 cents in 1926. The 1926 crop for the United States of 84,000,000 bushels was about equal to the average production for the five year period from 1921-25, although the price paid for this year's crop was somewhat lower than the average price paid during the five year period

mentioned above. This lower price, even with an average production, might possibly be the result of lowering per capita consumption of both sweet and Irish potatoes which some claim is taking place in the United States.

The acreage and production of sweet potatoes in Oklahoma in 1926 were considerably above that for 1925, and the farm price paid for the 1926 crop was somewhat lower than the price paid for the 1925 crop. Even with a high yield, the lower prices paid for potatoes in 1926 resulted in a smaller return per acre than was obtained in 1925. This relatively low return per acre in 1926 will tend to discourage an increase in acreage in 1927, while the relatively low prices of other farm products, especially cotton, will tend to encourage some to increase sweet potato acreage. There has been a tendency to over-plant sweet potatoes in seasons following low price for cotton.

The bulk of the sweet potatoes grown in Oklahoma are of the moist-fleshed type, such as Nancy Hall and Porto Rico, and the marketing problems are largely a matter of supplying the local needs. Oklahoma farmers who grow sweet potatoes on a commercial scale should watch closely the acreage being planted to sweet potatoes in the locality and the near-by states. If prices of sweet potatoes should increase before April 1st, there may be an increase in the acreage planted to potatoes which with yields equal to that of 1926 would probably result in unprofitable prices.

Every farmer where conditions will permit, should grow an ample supply of sweet potatoes for home use. Sound policies of farm management dictate that more farmers in Oklahoma, especially in the cotton belt, should grow more potatoes for home consumption. Literature on growing and curing sweet potatoes may be had by consulting agricultural extension agents or writing direct to the State Agricultural College at Stillwater.

HORSES AND MULES

Conditions indicate that the prices of good horses and especially high quality mules will gradually increase in the next few years. Regular cycles of horse production have long been recognized but have been seriously interrupted by the increasing use of tractors, trucks and automobiles. Should the use of mechanical power cease to expand there will immediately exist a real deficit in draft animals, due to the fact that breeding has largely been abandoned. This condition is indicated in a survey conducted by the United States Department of Agriculture which shows that for the United States as a whole, the number of horses and mules over two years of age decreased about 6 per cent from 1920 to 1925 while the number of colts under two years of age decreased 51 per cent in the same period. Thus an increasing proportion of animals used for draft purposes are old and must soon be replaced by either younger stock or by tractors and trucks.

There were approximately 500,000 tractors on the farms of the United States January 1, 1925. In the past two years about 300,000 tractors have been manufactured and distributed, farmers taking their due portion. The use of the combine in the wheat section of Oklahoma has done much to encourage the adoption of the tractor.

In 1911 there were in Oklahoma 765,000 horses valued at \$86 per head, and 270,000 mules valued at \$113 per head. In six years or by 1917 the number of horses declined to 743,000 and mules to 276,000. By 1920 horses had declined to 738,000 and mules had increased to 337,000. By 1926 the number of horses had declined to 592,000 and were valued at \$36 a head. Mules had increased to 373,000 and were valued at \$57 each.

Under normal conditions, the prices of horses rise for about 12 years and then decline for about 12 years. According to this, we should now be on the upward movement of a long period of rising prices accompanied by a rejuvenation of the horse breeding industry. However, the tractor, truck and auto have disturbed this movement and delayed the rise in prices. The

record-breaking depression in the horse business is the results of the regular over-supply phase of the horse cycle occurring during the same years when tractors and trucks were rapidly displacing horses. The two factors coming together have created an unprecedented depression in horses. The very fact that these two horse-depressing influences have occurred at the same time increases the danger of over-doing the adjustment. An acute future shortage will probably be felt first in the deficit area of the cotton belt. In this section especially, farmers who have high grade mares and whose farm work can be adjusted so that breeding does not seriously handicap farm work, and have available plenty of pasture will probably find, in a few years, a few farm raised colts a profitable source of income in spite of the present extremely unsatisfactory situation.

B E E F

The probable price of beef and the feed situation both point distinctly to an improved position for Oklahoma beef raisers in 1927. An unusually heavy slaughter of cattle during the past year has doubtless reduced the number of cattle and calves on farms in the United States to the lowest point in several years.

A slaughter of twelve million head of cattle and calves per year would have decreased the number in the country for the period 1920-25. The slaughter in 1926 was more than 29 per cent greater than twelve million. All evidence points to a shortage of beef stock during the coming season, and this shortage ought to show up particularly in the feeder type and in calves for veal.

Cattle on feed January 1st were estimated by the United States Department of Agriculture to be somewhat smaller in the country as a whole than the number on feed last year. Oklahoma and Texas have a somewhat larger number on feed although the corn belt has 7 per cent less. There is a larger proportion of light stuff and calves in the feed lot and feeding may be prolonged more than usual, which would probably result in a shortage of fed cattle on the spring market.

The generally improved outlook for beef may be expected to reduce calf slaughter and to affect the price of them accordingly. The record breaking sale of feeders the past year has undoubtedly created a shortage and is likely to reflect vigorously on the price of this type during the last half of the year. The Oklahoma farm lot feeder may find the corn belt farmer and the packer competing for partly finished feeders at this time, and should have a favorable market if this occurs.

Beef consumption has continued at a high rate and the business condition and the pork situation do not now indicate any marked decrease in beef consumption during the coming year.

Present indications are that practically all types of beef will sell at a somewhat higher price during 1927 than the prices prevailing in 1926, but prices ought to show most strength during the latter part of the year. Should early spring pasture be good, stocker prices might be stimulated earlier.

Beef cattle in Oklahoma have decreased in number from 1,300,000 in 1920 to 930,000 in 1926, or about 40 per cent during the six years. The decrease has been consistent and has been the result of a competition with other growing industries in the state and the generally unfavorable position of beef cattle in the state. Since the price of other farm products in the state are relatively low and since conditions indicate that the beef cattle industry promises better returns in the near future, farmers in Oklahoma who are favorably situated should seriously consider an increase in the number of beef cattle on their farms.

Many conditions favor beef cattle production in Oklahoma. Large areas for pasture, with a long growing season, good winter pastures from

fall sown small grains, a large variety of cheap feed and a good supply of a variety of concentrates all favor an expansion of the beef cattle industry. Beef cattle raising will also utilize farm labor during periods when it would otherwise not be utilized, and can be made to utilize profitably much cheap, home-grown feed and cheap pastures that would otherwise be wasted.

Oklahoma farmers who are favorably situated to produce beef cattle should carefully cull their herd and increase the calf crop. The increase should be made gradually and the quality of the products should be improved. The long time view is especially promising in this respect.

DAIRYING

The general outlook for dairying in Oklahoma is favorable for increased activity with somewhat greater production of fluid milk and butterfat in 1927 than the production in 1926. A large proportion of the butter, cheese, condensed and evaporated milk, malted milk, milk powders, some ice cream mix, and even a portion of the fluid milk and sweet cream consumed within the state in 1926 were shipped in from Wisconsin, Minnesota, Indiana, Illinois, Missouri, Colorado, Kansas, Texas, and Arkansas. It is therefore evident that local markets are in a position to readily absorb increasing quantities of locally produced dairy products.

The total number of cows on farms in the United States was less January 1, 1927, than January 1, 1926. However, the total production of dairy products during the coming year may easily exceed that of 1926, since generally pastures in 1926 were of unusually poor quality, and since the relatively cheap feeds of 1927 should stimulate more liberal feeding for milk production.

Consumption in the United States probably will be as great if not greater than last year. Since but a small amount of dairy products are either imported or exported by the United States, the foreign situation is not likely to play an important part in the dairy situation in 1927.

Since 1920, the population of Oklahoma has increased 15 per cent while the number of dairy cows has increased only 1 per cent. Oklahoma in 1912 had 504,000 milk cows valued at \$35 per head; in 1920, 564,000 valued at \$68 per head; in 1925, 582,000 valued at \$34 per head and in 1926, the number had decreased to 570,000 valued at \$40 per head. The number in 1927 probably will increase somewhat due to an abundance of cheap feed in most parts of the state. In 1910, the average Oklahoma farm had less than three milk cows, while in 1924 the number had decreased to two.

Five or six cows will supply the farm family with all the butter and milk needed, and leave sufficient surplus to pay the monthly grocery bill, and frequently the expense of clothing the family. This is an important factor especially appreciated when the crops are sold and there are no bills to pay. The fact that the price of cows have decreased from \$68 in 1920 to \$40 in 1926 with fair quality milk cows available at from \$65 to \$75, the situation is encouraging to the farmer who needs to buy a cow. There have been few times when low prices of cows, cheap feed and the cotton situation have all combined to make dairy expansion on Oklahoma farms as attractive as it is at present.

HOGS

The increase of hogs on Oklahoma farms for 1927 offers an opportunity for farmers, especially cotton growers, to help place their business on a more profitable basis and to better utilize available feed.

Relatively high prices should prevail throughout 1927 in the hog market, according to present indications. While hog prices reached a peak in June, 1926, and have declined slightly since that time, facts pertinent to the situ-

ation suggest that the present price level will but slightly decrease during 1927. From the long time view point, the downward trend of hog prices started in June, 1926, but the decline in prices during 1927 will probably not be great. If corn belt farmers hold their 1926 fall pigs for heavy feeding, which is probable, these heavy hogs will somewhat increase the market supply during the late summer.

The large intended increase in breeding for fall farrowing in 1926 did not materialize due to drought in some sections and a widespread cholera epidemic. The combined spring and fall pig crops of 1926 exceeded the 1925 total by only one per cent. The supply of pork is therefore less than was anticipated which fact has served to strengthen the market. The December 1st pig survey of the Department of Agriculture indicated for the United States only a slight increase in the 1927 spring pig crop over that of 1926. The 1927 spring pig crop in the corn belt is expected to be little if any larger than that of 1926, while that of the south central states was indicated to be considerably larger than that of 1926.

The number of hogs in 1919 in Oklahoma was 1,300,000. There was a decline to three-fourths this number in 1924; and again a decline by the end of 1926 to probably not much more than 50 per cent of the number in 1919. In 1919 Oklahoma farmers had sufficient hogs (at 200 lbs. each) to equal 59 per cent more than the estimated pork and lard they consumed. In 1924 this per cent had dropped to 14 and at the end of 1926 it had dropped to a supply of pork and lard of approximately 28 per cent less than Oklahoma farm families are estimated to have consumed that year.

The recent pig survey shows that Oklahoma farmers bred about the same number of sows in the spring and in the fall of 1926 that they did during the same seasons of 1925. They saved slightly less pigs per litter out of the 1926 litters than they did in the fall litters of 1925. Therefore, 1926, although hog prices were good, did not show a material change in the number of pigs saved. The number of sows in Oklahoma bred or to be bred to farrow in the spring of 1927 was 37 per cent greater than the number actually farrowed in the spring of 1926. In spite of the fact that actual breeding does not, as a rule, materialize equal to estimated intended breeding, we should have a considerable increase of pigs in the coming spring in Oklahoma, and great care should be used in saving these pigs. The situation warrants the belief that farmers who do not have hogs should by all means get a few pigs in the spring to help consume the plentiful feed crops and to consume the feed lot and kitchen wastes incident to farming.

To the cotton farmer, and especially the tenant cotton farmer, all conditions indicate that it is highly important for him to prepare to raise his pork for home consumption in 1927.

S H E E P

Conditions at present indicate that 1927 will be about as good a year for the sheep industry as was 1926. Consuming demand for lambs ought not to be materially changed. Present supplies of domestic wool are about what they were last year, mill stocks are unusually light, and wool prices are doubtless better stabilized than they have been since the war. No radical change in the wool situation, barring unusual disturbances, is likely to occur during the year.

The corn belt has more than the usual number of lambs on feed so that the market supply of fed lambs may be plentiful during February but the western states have a smaller number of lambs in 1927 than they had in 1926 and from March to May there may be fewer fed lambs put on the market this year than were marketed during these months last year. Due to a rather unprofitable year with feeders in the west, the demand for feeder lambs next fall may be somewhat weak.

The number of sheep in Oklahoma decreased from 110,000 in 1920 to 70,000 in 1925 and then increased to 77,000 in 1926. The small number of sheep in the state and the rate of decrease since 1920 indicate that sheep are of relatively small importance in the state. Those farmers whose situation and business organization permits the use of sheep as scavengers and for the utilization of cheap feeds and pastures that would otherwise be wasted and who do not have to put out heavy fencing costs will probably find the raising of sheep profitable. Most of the farmers in the state who can raise sheep will find that a small flock of good quality offers a good opportunity for profits.

POULTRY

Egg prices during 1927 will probably be maintained near the 1926 levels, although cold storage holdings of case eggs January 1st were 18 per cent below the five-year average. Holdings of frozen eggs were about 29 per cent greater than the five-year average. Poultry prices are likely to be depressed somewhat due to large quantities of frozen poultry in storage—32 per cent higher than the five-year average. Consumption for both poultry and eggs will probably be maintained during 1927 at about the 1926 level.

There has been a distinct tendency in the past few years for specialization in egg production, and an increase in the winter supply of fresh eggs. This has occurred to a marked degree in the Pacific Coast and New England states. This has had a tendency to force winter prices of fresh eggs to a lower level relative to prices at other times of the year. This situation makes it advisable that commercial poultrymen study carefully their probable costs and markets.

The present relatively low price of feed and a probable lower price for dressed poultry than prevailed in 1926, will probably cause many Oklahoma farmers to keep their hens for egg production instead of marketing them. This might cause a heavy production of eggs and bring the price down more than usual later in the season.

The production of poultry and eggs in Oklahoma is rapidly expanding, but there seems to be no danger of over-production during the next year. The quality of Oklahoma eggs is rapidly increasing, which improves the market possibilities, but much more needs to be done in improving the grading and standardization. Greatest progress in the business lies along this line. Most egg producers in Oklahoma who can put out a quality product which is well standardized will usually find a ready market at profitable prices. Consumers are willing to pay a premium for a good quality, standard product.

Over one hundred commercial hatcheries in the state provide a market for a large number of eggs in the spring which will tend to strengthen the price of market eggs. Where the farmer has sufficient cheap feed available and can give his flock the proper housing, care and management, he will no doubt find it profitable to expand somewhat his poultry production for 1927. This ought especially to apply to the cotton belt.

On many farms turkeys may be raised with profit. Many farmers find turkeys an added advantage in controlling insect pests. However, turkey production should not be attempted unless the farmer can give the flock very close attention.

Each farm family should produce plenty of eggs and poultry for home use even if they do not attempt to produce them to sell. This is one of the cheapest ways of reducing the cost of family living on the farm and of decreasing the amount of money which it is necessary to borrow.